

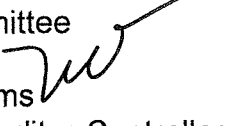


J. TYLER McCAULEY  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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March 14, 2007

TO: Audit Committee  
FROM: Maria M. Oms   
Assistant Auditor-Controller

**SUBJECT: MILEAGE REIMBURSEMENT PROGRAM**

At the February 2007 Audit Committee meeting, you asked us to provide information on employee mileage reimbursement. The following are our responses to your request:

County Mileage Reimbursement Rate:	\$ .45 per mile
California State Mileage Reimbursement Rate:	\$ .485 per mile
Los Angeles City Mileage Reimbursement Rate:	\$ .485 per mile
Total County Mileage Reimbursement for fiscal year 2005-06:	\$15.9 million

The State and City Mileage rates are equal to the Internal Revenue Service's (IRS) mileage rate which, as of January 1, 2007, is \$.485 per mile. The County's rate is established by the Chief Administrative Office based on the IRS rate adjusted for the County's cost of their auto self insurance program. The cost of the County's auto self insurance program is based on an actuarial study.

The Committee also asked about eligibility for mileage reimbursement. Los Angeles County Code Sections 5.40.190 through 5.40.290 allow reimbursement for expenses incurred by County employees who use their private vehicles for County business and who are not Transportation Allowance Program participants. Department heads and their designees approve their employees' eligibility for mileage reimbursement based on their job duties.

Please call me if you have any questions at (213) 974-8303.

MMO:JLS:AA